LEGISLATIVE SERVICES AGENCY

OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7213 NOTE PREPARED: Feb 3, 2015
BILL NUMBER: HB 1350 BILL AMENDED: Jan 29, 2015

SUBJECT: Environmental Variances and Other Matters.

FIRST AUTHOR: Rep. Wolkins

BILL STATUS: 2nd Reading - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) *Variances from Environmental Rules*: This bill makes the following changes concerning variances from environmental rules:

- (1) If a variance would be in effect for more than one year:
 - (A) the application for the variance must include a demonstration of how the applicant would come into compliance with the rule within the period for which the variance would be in effect; and
 - (B) the variance, if granted, includes a schedule requiring the person to come into compliance with the rule within the period for which the variance will be in effect, and the variance may be revoked for failure to comply with the compliance schedule if the person fails to meet the requirements of the compliance schedule and, after the end of the variance period, the person is given a reasonable opportunity to meet the requirements of the rule and still does not come into compliance with the rule.
- (2) Eliminates the renewal of variances, except for variances from certain water quality standards.

Submission of Information or Documents Electronically: The bill authorizes the Indiana Department of Environmental Management (IDEM) to require the submission of information or documents electronically.

Certification Examinations for Certain Water Treatment and Distribution System Operators: The bill requires IDEM to offer certification examinations for certain water treatment plant operator and water distribution system operator certifications at least once per year. It authorizes the Commissioner of IDEM to authorize independent third parties to administer additional certification examinations.

Provision of Certain Notices: The bill allows the Commissioner to provide certain notices to persons by a

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means other than by mail.

In Lieu Fee Mitigation Program: The bill provides that the offsite location of compensatory mitigation required of a person proposing a wetland activity in a state regulated wetland may be within a designated service area established in an approved in lieu fee mitigation program.

Remittance of Fees: The bill provides for solid waste disposal fees and state solid waste management fees to be remitted to IDEM on a quarterly basis and for hazardous waste disposal fees to be paid to IDEM on or before March 1 of the year following the year in which they accrue.

Duplicative Reporting Requirement: The bill eliminates the requirement that a manufacturer of video display devices report annually to IDEM the total weight of video display devices sold to households.

Effective Date: July 1, 2015.

Explanation of State Expenditures: Many of the bill's provisions will likely result in a reduction in IDEM staff time and workload that can be redistributed to other assigned duties. Allowing for certain notices to be given by means other than mail will provide flexibility to the agency and minimal cost savings. The establishment of an in lieu fee alternative for mitigation of a wetland will depend upon federal approval for Indiana to have the ability to collect an in lieu fee for wetland mitigation.

The bill also allows the Environmental Rules Board to adopt rules concerning fees for certification examinations given by third parties, which should be able to be accomplished within the current levels of resources available, assuming near customary agency staffing and resource levels.

<u>Explanation of State Revenues:</u> The provisions concerning the remittance of the solid waste disposal, state solid waste management, and hazardous waste disposal fees are not expected to impact the revenue received from these fees.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Environmental Management; Environmental Rules Board.

Local Agencies Affected:

<u>Information Sources:</u> Brian Rockensuess, Indiana Department of Environmental Management.

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